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SUBJECT: BELARUS WEEKLY POL/ECON REPORT - JUNE 12, 2009

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[¶1.](#) The following are brief items of interest compiled by  
Embassy Minsk.

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##### Civil Society

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#### [¶2.](#) "European Belarus" Activists Fined

On June 10, a Minsk district court fined "European Belarus" campaign activists Oleg Lodutsko and Maksim Vinyarskiy USD 375 and Paulina Dyakova USD 250. The three were charged for staging a rally in downtown Minsk June 10 in support of jailed Volkovysk activist Nikolay Avtukhovich.

#### [¶3.](#) Prisoner of Conscience Fined

An Osipovichy regional court fined June 10 opposition youth Artyom Dubskiy USD 310. Police apprehended the activist on May 10 and charged him with painting political graffiti. Dubskiy, recognized as a "prisoner of conscience" by Amnesty International, still faces criminal charges of violating his partial house arrest restrictions and may stand trial soon.

#### [¶4.](#) United Civic Party Activists Fined

A Volkovysk district court fined June 8 six Grodno-based United Civic Party (UCP) members USD 25 and UCP local leader Yuriy Istomin USD 250 for staging a demonstration in Volkovysk on May 16 in support of jailed Nikolay Avtukhovich. The activists called the administrative charges "far-fetched" and fines "illegal," citing that the court failed to summon the police

officers who detained the activists as witnesses at the trial.

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Domestic Economy  
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15. World Bank, GOB Agree on USD 125 Million Loan

The World Bank and the GOB signed June 8 an agreement on a USD 125 million loan to finance energy efficiency projects at several heat and power generating facilities. According to preliminary estimates, the efficiency of heat and power generation is expected to increase by about 30 percent. The project will entail savings of approximately 90 million cubic meters of natural gas annually, which will result in a reduction of about 165,000 tons of carbon dioxide per year. Implementation of these projects will commence in 2009 and run for five years.

16. Russia Bans Belarusian-made Dairy

On June 11, Belarus and Russia conducted extensive interagency talks in Moscow following the GOR's June 6 import ban on Belarusian-made dairy products. Russian Consumer Monitoring Services Chair Gennadiy Onischenko announced June 11 a number of conditions needed for Belarusian manufacturers to comply with Russian sanitary and "technical" dairy regulations, which would permit them renewed access to Russian markets. Russian PM Vladimir Putin committed to "solving the issue" and voiced the countries' agreement that the GOB will limit exports of dry milk and increase exports of cheese and cottage cheese. President Lukashenka earlier condemned Russia's restriction of trade with Belarus. On June 9, Belarusian PM Sergey Sidorskiy echoed his statements, urging officials to stop "verbal battles," and Russian FM Sergey Lavrov maintained that the GOR did not introduce "any sanctions" against Belarus.

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17. Belarus' Reserve Assets Up 5.7 percent in January-May

The National Statistics Committee reported June 8 that according to the International Monetary Fund's methodology, Belarus' international reserves increased 5.7 percent to USD 3.237 billion as of June 1, 2009. Foreign currency reserves reached \$2.642 billion, monetary gold amounted to the equivalent of USD 513.5 million, and other assets were USD 81.3 million.

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Foreign Relations  
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18. EurAsEC and Armenia Establish Anti-Crisis Fund

Eurasian Economic Community (EurAsEC) member-states, including Russia, Kazakhstan, Belarus, Kyrgyzstan, and Tajikistan, and Armenia signed an agreement to set up a USD 10 billion anti-crisis fund on June 9. Russia will reportedly contribute USD 7.5 billion, and the fund will be available for stabilization loans to member-states and for financing intergovernmental investment projects. Russian Finance Minister Aleksey Kudrin, the fund's appointed head, stated June 9 that Belarus might request a USD 500 million loan from the fund after members-states ratify the agreement, likely by September 2009.

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Quote of the Week  
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19. In his June 10 interview with major Russian printed media outlets, President Lukashenka emotionally stated:

"What is the most important for me in having these powers? You understand that I am a human being; I have children, especially my youngest son Nikolay, the one I dote on. He is five, and I am fifty-five already. We were born on the same day - August

¶31. I worry about my children. God forbid anything happens to me. They live in state-owned residences, from which they would be kicked out and do not even have apartments. They do not have savings to be able to buy apartments. I am horrified at the thought that they will all get together at the place that I once left because there is not enough space for them there. And my children have asked me: 'What do we do? We should have at least a place of our own.' And I respond to them: 'Be patient. Let's hope that I will not be kicked out this very moment. When I complete my presidency term, I will settle somewhere, and there will be a place for you. We will earn a living. But now I am unable to take care of your housing issue because of public opinion, because of people. '"  
SAVAGE